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November 19, 1999

Mr. Don Holmstrom CA
Vice-President Corporate Development
Family Golf Centers, Inc.
604 Columbia Street West, #200
New Westminster
British Columbia V3M 1A6

Re: Ground lease dated March 1, 1995 (the "Ground Lease"), by and between Trinity Mills-Midway Partners, Ltd., a Texas limited partnership, as Landlord, and Dallas Highlander, Ltd., a Texas limited partnership now known as Highlander-Bear, Ltd., as Tenant, as amended by that certain First Amendment to Ground Leased and Assignment of Tenant's Interest in Ground Lease and Landlord Estoppel dated September 13, 1996 (the "first Amendment"), by and among Landlord, Tenant as Assignor, and Golden Bear Golf Centers, Inc., a Florida corporation, as Assignce

## Dear Mr. Holmstrom:

With respect to your letter dated November 18, 1999, we appreciate the information regarding the deferred maintenance items. With regard to the other matters, please be advised as follows:

- 1. While we previously understood the practice area and miniature golf area were adequately serviced by an irrigation system, we have since been advised by the contractor who inspected the areas that the system is inadequate and requires modifications and repairs. Much like the landing area, we do not believe the quality of maintenance required in the lease can be maintained without an adequate system.
- 2. While we would be pleased to meet with Golfcraft and Prime Golf, we need to understand the scope of this arrangement and have written adequate financial and related information in order to make an informed decision.

Regarding the renewal options, your understanding and/or assumption with respect to the matters quoted in your letter are simply incorrect. Section 4.3(c) remains in full force and effect with respect to the subject ground lease. The provisions you cited simply confirm the assignment to Golden Bear Golf Centers, Inc. Accordingly, the provisions of Section 4.3(c) remain in full force and effect.

Fritz L. Duda

FLD/map